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SOUTH BEND-LAPORTE-ELKHART, INDIANA, MILK MARKET NEWS

Federal Order No. 67
U. S. Department of Agriculture
Agricultural Marketing Service
Telephone: ATLantic 8-2571

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South Bend 24, Indiana

Issued for Information of Producers
Who Are Not Members of Cooperative Associations

Vol. IV, No. 10

October 1960

SEPTEMBER UNIFORM PRICE \$4.19

Dairy farmers will receive a uniform price of \$4.19 for September 1960 deliveries of Grade A milk to handlers under the South Bend-LaPorte-Elkhart, Indiana, milk order. The uniform price is based upon a butterfat test of 3.5 percent, and will be adjusted by a differential of 7.4 cents for each one tenth percent that tests vary above or below the 3.5 percent standard. This minimum price is subject to a 3 cent per hundredweight marketing service deduction, together with the authorized hauling charge.

PRODUCER RECEIPTS

Utilization of producer receipts increased one percent over the August delivery period even though we had an increase of 11 percent in producer receipts. Daily herd production increased 38 pounds, and we have 53 more producers on the market than in August. We do have fewer producers than a year ago, but daily herd production is up almost 100 pounds, and total producer receipts 15 percent higher. The average test of producer receipts is almost the same as it was last September; however, there is a tendency for the average test to decrease from year to year on a market wide basis.

CLASS I SALES

There is an increase of 12.5 percent on a daily basis of Class I sales over the August delivery period. Normally we can expect about a 5 percent increase in September over August, but seldom does it go as high as 12 percent. An increase in Class I sales outside the marketing area, due to new business acquired by handlers, is thought to be the main reason for the above normal increase.

BULK TANK STATISTICS

For the delivery period of August 1960 there were 961 bulk tank producers supplying 19,226,629 pounds of milk. This is 87.4 percent of the producer receipts by volume and 81.9 percent by number of producers. For September of 1959 these percentages were 74 percent by volume and 62 percent by number of producers.

CLASS I PRICE

The Class I price for the October 1960 delivery period will be \$4.56 per hundredweight for 3.5 percent milk. This price was computed by adding \$1.30 per hundredweight to the average condensery pay price in September (\$3.20), plus the supply-demand adjustment of 6 cents. The supply-demand adjustment for the November 1960 delivery period will be a plus 12 cents.

ORDER NO. 67 PRICES

Class Prices and Uniform Prices Per Cwt. for 3.5% Milk

Average Prices For the Years 1953-1957 And by Months From 1958 To Date

Year and Month	CLASS I			CLASS II		CLASS III	UNIFORM PRICES	
	Differ- ential	Supply Demand	Milk Price	Differ- ential	Milk Price	Milk Price	Milk Price	B. F. Differ- ential
1953	\$ 1.10	\$ - .105	\$4.370	\$ --	\$ --	\$3.141	\$4.107	\$.079
1954	1.10	- .243	3.930	--	--	2.874	3.636	.072
1955	1.10	- .134	4.000	--	--	3.018	3.785	.069
1956	1.22	- .049	4.277	--	--	3.118	4.005	.071
1957	1.10	- .177	4.060	.59	3.688	3.126	3.833	.071
1958								
Jan.	\$ 1.10	\$ - .18	\$4.066	\$.70	\$3.846	\$3.133	\$3.920	\$.071
Feb.	1.10	- .18	4.053	.70	3.833	3.110	3.880	.071
Mar.	.90	- .18	3.830	.45	3.560	3.082	3.620	.071
Apr.	.90	- .18	3.802	.45	3.532	2.956	3.570*	.069
May	.90	- .18	3.676	.45	3.406	2.896	3.340*	.069
June	.90	- .18	3.616	.45	3.346	2.890	3.290*	.069
July	.90	- .18	3.610	.45	3.340	2.921	3.400*	.069
Aug.	1.30	- .24	3.980	.70	3.620	2.960	3.810	.070
Sept.	1.30	- .24	4.020	.70	3.660	3.000	3.910	.072
Oct.	1.30	- .02	4.280	.70	3.700	3.040	4.140	.070
Nov.	1.30	+ .16	4.500	.70	3.740	3.050	4.290	.070
Dec.	1.10	+ .18	4.330	.70	3.750	3.070	4.150	.072
Av.	\$ 1.08	\$ - .118	\$3.980	\$.60	\$3.611	\$3.009	\$3.777	\$.070
1959								
Jan.	\$ 1.10	\$ + .06	\$4.23	\$.70	\$3.770	\$3.060	\$4.060	\$.069
Feb.	1.10	+ .06	4.22	.70	3.760	3.060	4.020	.069
Mar.	.90	+ .08	4.04	.45	3.510	3.010	3.830	.069
Apr.	.90	+ .08	3.99	.45	3.460	2.950	3.780*	.069
May	.90	+ .04	3.89	.45	3.400	2.920	3.590*	.069
June	.90	+ .06	3.88	.45	3.370	2.910	3.620*	.070
July	1.10	+ .04	4.05	.45	3.360	2.930	3.860*	.070
Aug.	1.30	+ .02	4.25	.70	3.630	2.960	4.030	.072
Sept.	1.30	+ .08	4.34	.70	3.660	3.020	4.170	.075
Oct.	1.30	+ .12	4.45	.70	3.730	3.100	4.230	.075
Nov.	1.30	+ .14	4.54	.70	3.800	3.150	4.270	.077
Dec.	1.10	+ .12	4.37	.70	3.850	3.150	4.130	.074
Av.	\$ 1.10	\$ + .075	\$4.188	\$.60	\$3.608	\$3.018	\$3.966	\$.072
1960								
Jan.	\$ 1.10	\$ - .04	\$4.21	\$.70	\$3.850	\$3.13	\$3.960	\$.070
Feb.	1.10	- .06	4.17	.70	3.830	3.12	3.950	.070
Mar.	.90	- .06	3.96	.45	3.570	3.09	3.780	.070
Apr.	.90	- .06	3.93	.45	3.540	3.03	3.720*	.070
May	\$.90	- .02	3.91	.45	3.480	3.00	3.590*	.070
June	.90	+ .02	3.92	.45	3.450	3.00	3.630*	.070
July	1.10	- .04	4.06	.45	3.450	3.01	3.830*	.070
Aug.	1.30	- .06	4.25	.70	3.710	3.08	4.070	.071
Sept.	1.30	.00	4.38	.70	3.780	3.20	4.190	.074
Oct.	1.30	+ .06	4.56	.70	3.900			

* The price shown here is the weighted average of the base price and the excess price.

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UTILIZATION AND CLASSIFICATION OF MILK

	September 1960 Reported Data		September 1959 Audited Data	
	Product Pounds	Butterfat Pounds	Product Pounds	Butterfat Pounds
<u>CLASS I</u>				
Milk	16,174,365	572,131	14,556,799	516,298
Skim Milk	149,923	385	201,275	631
Fortified Skim Milk	1,628,273	32,819	1,232,768	25,397
Buttermilk	187,361	1,759	181,846	1,665
Flavored Milk & Drink	697,230	21,841	622,808	18,706
Cereal Mixture	294,288	35,592	301,405	37,004
Coffee Cream	20,566	3,993	28,296	5,755
Whipping Cream	29,320	10,924	33,291	12,422
Sour Cream	13,433	2,627	23,304	4,548
Total Class I Utilization	19,194,759	682,071	17,181,792	622,426
Add: Class I Shrinkage	95,800	10,544	135,427	9,080
Subtract: Other Source Receipts	--	--	63,273	2,247
Subtract: Overage	--	--	205	--
Net Class I	19,290,559	692,615	17,253,741	629,259
<u>CLASS II</u>				
Used to Produce Cottage Cheese	1,530,474	15,970	1,059,383	11,152
Subtract: Other Source Receipts	178	178	21,996	699
Subtract: Overage	6,624	--	--	--
Net Class II	1,523,672	15,792	1,037,387	10,453
<u>CLASS III</u>				
Class III Products	2,944,553	162,555	2,240,859	113,151
Inventory Variation	(199,386)	(2,609)	69,798	5,605
Total Class III Utilization	2,745,167	159,946	2,310,657	118,756
Add: Class III Shrinkage	385,895	14,801	189,200	9,497
Subtract: Other Source Receipts	254,851	18,888	217,463	17,316
Subtract: Overage	25,440	48	17,268	199
Net Class III	2,850,771	155,811	2,265,126	110,738
<u>TOTAL PRODUCER RECEIPTS</u>	<u>23,665,002</u>	<u>864,218</u>	<u>20,556,254</u>	<u>750,450</u>

MISCELLANEOUS INFORMATION

	September 1960	August 1960	September 1959
Average Daily Production	788,833#	709,914#	685,208#
Sept. 1960 Production Compared With -	--	+ 11.12%	+ 15.12%
Class I Daily Average	639,825#	568,105#	572,726#
Sept. 1960 Sales Compared With -	--	+ 12.62%	+ 11.72%
Number of Producers	1,226	1,173	1,247
Daily Herd Production	643#	605#	549#
Av. Test of Producer Milk Received	3.65188%	3.67512%	3.65071%
Total Value Paid Producers	\$1,015,853.15	\$920,740.40	\$878,481.28
Av. Monthly Milk Check Per Farm	\$ 828.59	\$ 784.94	\$ 704.48
Av. Daily Milk Check Per Farm	\$ 27.62	\$ 25.32	\$ 23.48

RECEIPTS AND CLASSIFICATION OF PRODUCER MILK

<u>Year</u>	<u>CLASS I</u>		<u>CLASS II</u>		<u>CLASS III</u>		<u>Total Producer Receipts</u>
	<u>Pounds</u>	<u>Percent</u>	<u>Pounds</u>	<u>Percent</u>	<u>Pounds</u>	<u>Percent</u>	
1953	7,342,338	75.6	--	--	2,369,395	24.4	9,711,733
1954	7,272,928	70.4	--	--	3,058,935	29.6	10,331,863
1955	8,692,563	76.3	--	--	2,695,649	23.7	11,388,212
1956	10,125,716	75.4	--	--	3,302,901	24.6	13,428,617
1957	11,720,328	70.8	1,107,967	6.7	3,725,823	22.5	16,554,118
<u>1958</u>							
Jan.	12,421,993	78.0	1,207,200	7.6	2,287,650	14.4	15,916,843
Feb.	10,961,276	74.6	1,188,797	8.1	2,536,701	17.3	14,686,774
Mar.	11,777,301	69.4	1,332,925	7.8	3,865,790	22.8	16,976,016
Apr.	11,446,743	66.7	1,324,083	7.7	4,377,875	25.6	17,148,701
May	11,496,472	55.5	1,320,121	6.4	7,895,482	38.1	20,712,075
June	10,219,240	52.2	1,427,278	7.3	7,931,209	40.5	19,577,727
July	10,864,823	64.6	1,610,135	9.6	4,352,884	25.8	16,827,842
Aug.	15,936,403	80.1	1,374,096	6.9	2,586,484	13.0	19,896,983
Sept.	16,553,043	85.0	1,401,002	7.2	1,512,909	7.8	19,466,954
Oct.	17,669,313	84.7	1,427,728	6.9	1,752,656	8.4	20,849,697
Nov.	16,198,889	82.0	1,132,901	5.7	2,420,067	12.3	19,751,857
Dec.	16,659,844	81.9	979,123	4.8	2,704,318	13.3	20,343,285
Av.	13,517,112	73.0	1,310,449	7.1	3,685,335	19.9	18,512,896
<u>1959</u>							
Jan.	16,988,480	81.2	1,084,208	5.2	2,853,643	13.6	20,926,331
Feb.	15,239,825	78.9	1,053,372	5.5	3,017,745	15.6	19,310,942
Mar.	16,463,653	76.1	1,146,541	5.3	4,014,965	18.6	21,625,159
Apr.	16,278,936	76.8	1,218,411	5.7	3,705,029	17.5	21,202,376
May	17,020,842	66.8	1,476,387	5.8	6,996,009	27.4	25,493,238
June	16,143,898	69.5	1,625,641	7.0	5,452,167	23.5	23,221,706
July	16,656,834	80.0	1,257,357	6.1	2,898,176	13.9	20,812,367
Aug.	16,205,279	80.1	1,098,487	5.4	2,938,472	14.5	20,242,238
Sept.	17,271,583	84.0	1,107,034	5.4	2,182,542	10.6	20,561,159
Oct.	18,015,868	79.9	1,346,159	6.0	3,175,402	14.1	22,537,429
Nov.	15,951,304	76.8	1,106,991	5.3	3,704,095	17.9	20,762,390
Dec.	16,843,414	76.0	1,017,108	4.6	4,293,444	19.4	22,153,966
Av.	16,589,993	76.9	1,211,475	5.6	3,769,307	17.5	21,570,775
<u>1960</u>							
Jan.	16,630,974	72.7	1,303,077	5.7	4,946,776	21.6	22,880,827
Feb.	16,117,168	73.6	1,345,884	6.2	4,424,792	20.2	21,887,844
Mar.	17,371,361	75.1	1,512,205	6.5	4,260,340	18.4	23,143,906
Apr.	16,321,608	72.9	1,491,301	6.7	4,585,248	20.4	22,398,157
May	16,103,616	62.3	1,389,314	5.4	8,362,376	32.3	25,855,306
June	16,240,464	66.1	1,453,867	5.9	6,883,339	28.0	24,577,670
July	17,332,311	75.2	1,431,813	6.2	4,285,299	18.6	23,049,423
Aug.	17,706,937	80.5	1,735,935	7.9	2,564,449	11.6	22,007,321
Sept.	19,290,559	81.5	1,523,672	6.4	2,850,771	12.1	23,665,002